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Sent Via United States Mail

The Honorable David J. Kautter
Acting Commissioner of the Internal Revenue Service and
Assistant Secretary of the Treasury for Tax Policy
U.S. Department of the Treasury
1500 Pennsylvania Avenue,
NW Washington, DC 20220

Dear Acting Commissioner Kautter:

We write on behalf of a multitude of private Qualified Opportunity Zone Businesses and private Qualified Opportunity Zone Funds with whom we work. These Fund and Business entities have or are issuing securities on behalf of their ventures for investors to support Opportunity Zone investments – supporting the vision and mission of the 2017 Jobs and Tax Act.

On behalf of these investors we collectively request clarity to the rules and guidance regarding the tradability and liquidity of these securities while maintaining the 10-year tax advantages of investing within the “Opportunity Zone Eco-Sphere”.

History:

Entrex was founded as a capital market system to provide exposure, credibility and liquidity for private, entrepreneurial, issuers (Funds and Businesses) while providing investors a place to find, research, track, manage and trade securities of these entities.

Today our vision is to be a leading “capital market system for Opportunity Zone investing”.

Working within the rules and regulation of the SEC and FINRA we established a primary and secondary trading market for private entrepreneurial securities and managed the first security to trade on the Blockchain in 2015; subsequently hundreds of securities traded on behalf of investors and issuers on both a primary and secondary basis - each reviewed by the regulatory bodies.

Understanding that 65% of investment is made with a 35-mile radius of the investor; we envision *a multitude of Opportunity Zone investing will be invested at the local level in private transactions*. We mention this fact as we see the bi-furcation of the Opportunity Zone market; Wall Street struggles to efficiently invest in local, smaller, initiatives --- few Wall Street initiatives can focus on the sub \$15,000,000 local projects -- yet, we believe, the multitude of Opportunity Zone investing is in funds or businesses of this magnitude.

Transaction “Business vs Real-Estate Life-Cycles” and Frequency:

From our unique perspective, with private funds and businesses, we see a growing volume of *business’ leaders* recognizing the significant (30%+) annual tax benefits and reduced “cost of capital” to operate within designated Opportunity Zone areas as Qualified businesses.

It is important to foresee that the speed, development and movement of qualified business entities, and their employees, into these Zones could far exceed the economic development benefits of alternative Opportunity Zone investments.

These businesses would have the *immediate benefit* to the community of employment and the development of other Opportunity Zone infrastructures (Coffee Shops, Dining Establishments, Auto Repair, Dry Cleaning etc. which support the business and employees).

Yet these business investors expect a shorter investment life-cycle than the 10-year Act implications.

Requested Clarity:

The challenge we see, and the guidance we seek, for investors in these entities is due to the small size of both these funds and businesses and their “investment life-cycles”. We envision them selling or trading in a shorter timeframe than the 3,650 days of the existing tax structure of the Act. We request guidance and clarity from the U.S. Department of Treasury and the Internal Revenue Service that investments sold or traded within the 10 year “Tax Lifecycle of the Jobs and Tax Act of 2017” would obtain continuation of the tax consideration if re-invested within alternative Qualified Opportunity Zone investments with the Opportunity Zone Eco-System.

Precedence:

We believe precedence exists in the structure and compliance of Real Estate 1031 Exchanges, (IRC Section 1031), and ask for clarity and guidance that the similar sale or trade of Opportunity Zone Funds and Businesses – and the continued re-investment in Qualified investments within the Opportunity Zone Eco-System -- will maintain the tax consideration of the Act.

To build clarity for investors on the taxation effects of investment life-cycles of Qualified Opportunity Zone businesses and funds liquidity events; we request thoughts and opinions on the clarity requested.

We appreciate the leadership in which you have brought to what we believe will be the largest re-distribution of wealth our generation will ever see for the benefit of low-income communities.

Sincerely,



Stephen H. Watkins, CEO
Entrex Capital Market

www.EntrexCapitalMarket.com